



February 5, 2015

Written testimony of Paul T. Liistro, CEO Manchester Manor in Manchester CT.

***Proposed H.B. No. 5586 AN ACT INCREASING NURSING FACILITY RATES.**
<http://www.cga.ct.gov/2015/TOB/H/2015HB-05586-R00-HB.htm>

***Proposed H.B. No. 5812 AN ACT CONCERNING A COST OF LIVING INCREASE FOR NURSING FACILITIES.** **<http://www.cga.ct.gov/2015/TOB/H/2015HB-05812-R00-HB.htm>**

***Proposed S.B. No. 231 AN ACT CONCERNING COST-OF-LIVING INCREASES FOR NURSING HOMES.** **<http://www.cga.ct.gov/2015/TOB/S/2015SB-00231-R00-SB.htm>**

My name is Paul T. Liistro I am CEO Of Manchester Manor in Manchester Connecticut. I am 2nd generation in the skilled nursing facility business. We have been in business for nearly 50 years. Our nearly 200 employees serve a large Medicaid population as well as Medicare patients in our 126 bed facility. We are recognized as a five star facility by HHS and we have earned industry Quality Awards at the highest level, American Health Care Association's Quality Award at the Gold level. But the lack of Medicaid funding is going to put us out of business.

First I want to publicly thank the state legislators who introduced these badly needed bills---House Republican Leader Klarides, and Representatives Perillo and Gentile, and State Senator Crisco. And thank you also to the Human Services Committee for including these bills at a public hearing.

The bills all get to the same issue. Medicaid Nursing facility rates have been basically flat since 2007.



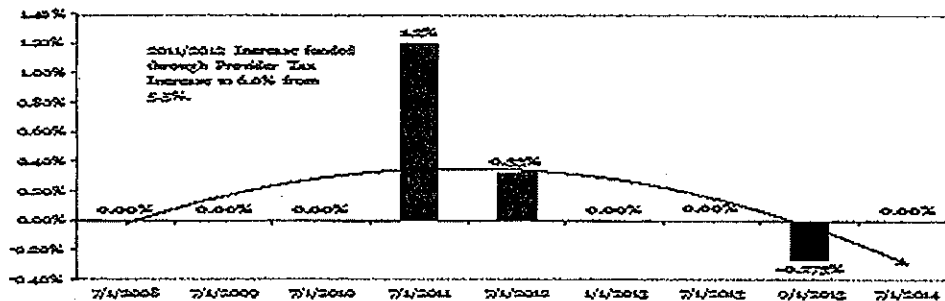
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MEDICAID RATE HISTORY

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2008 - 2014 Medicaid Rate Net of Provider Tax Increase



The bills recognize that just can't work over time and provide for increasing rates, by an annual cost of living adjustment or through a formula that increases rates based on the nursing facilities costs.

The message from the operator's point of view is simple----Our nursing facilities needs your help. We just can't continue on a path where no help is provided without strapping our employees and jeopardizing quality.

Here are some examples of what we are up against in our nursing facility while the rates have been stagnant:

ACA helath insurance premiums increasing by 20% per year

Wage and hour enhancements being eliminated; 70% of our costs are labor and benefits

Need renovations to half century old buildings being postponed; Being fixed on failure!!

Mandated IT Electronic Health Records costs; no funding

HIPAA security requirements; no funding

Historic storms; no relief.

I am asking you to advance these bills and provide our nursing facilities the help they need to care for our residents.

Thank you and I would be happy to answer any questions you may have.